CHAPTER 8 — RETIREMENT, DISABILITY OR LONG-TERM DISABILITY INSURANCE

801 Coverage – Requirements to Continue

Coverage under the Wisconsin Public Employers Group Health Insurance program may be continued when an employee is eligible for a retirement benefit or applies for a WRS disability or Long-Term Disability Insurance (LTDI) benefit upon termination of employment. In addition, subscribers and their insured dependents continuing coverage must enroll in Medicare Parts A and B when first eligible if they are not eligible at the time of retirement. (Refer to Subchapter 802.)

- Retirement Benefit

  Group health insurance coverage can be continued if the employee retires on an "immediate annuity." An "immediate annuity" is defined as a benefit that begins within 30 days after the employee terminates employment. This benefit can be a monthly benefit or a lump sum annuity.

  Employees on an unpaid leave of absence immediately prior to retirement whose coverage lapsed due to non-payment of premiums can reinstate coverage if an immediate WRS annuity is taken and a health insurance application is filed with ETF by the date of their first annuity payment.

- Disability or LTDI Benefit

  Insured employees applying for a WRS disability or LTDI benefits must pre-pay premiums through their employers until their WRS disability or LTDI benefit is approved by ETF, or coverage will lapse. Employees on an unpaid leave of absence immediately prior to termination whose coverage lapsed due to non-payment of premiums can reinstate coverage if an immediate WRS disability or LTDI benefit is taken and a health insurance application is filed with ETF by the date of their first annuity payment. ETF will notify the employer when a disability or LTDI benefit is approved. The employer will then need to delete from active coverage. (Refer to Chapter 6.) A completed *Employer Verification of Health Insurance Coverage* form

(ET-4814) is submitted to ETF at the time of the employee's retirement or application for disability or LTDI benefit. (Refer to Subchapter 803 for instructions on how to complete the form.)

- Termination With 20 Years of WRS Service, Not Taking Immediate Annuity

  Group coverage can be continued when terminating after age 55 (50 for protective category employees) and the employee has at least 20 years of creditable WRS service, even if an immediate retirement annuity is not taken. A *Continuation – Conversion Notice* (ET-2311) is completed and submitted to ETF at the time of the employee's termination. (Refer to Subchapter 707 for instructions regarding this form.)

For additional information, see the *Group Health Insurance* brochure (ET-4112) for retired employees.

802 Medicare Enrollment

Active employees and their insured dependents eligible for coverage under the Federal Medicare program may defer enrollment under Medicare Part A (hospital) and Part B (medical) until the employee terminates employment or health insurance coverage as an active employee ceases.

Annuitants and insured dependents who are eligible for coverage under the Federal Medicare program must enroll in Parts A and B when first eligible due to age or disability per Wis. Stats. § 40.51(7) and 40.52(2). Annuitants and insured dependents failing to enroll in Medicare will be held responsible for the portion of claims that Medicare would have covered, had they been enrolled in Medicare. Failure to enroll in Medicare at the next enrollment opportunity may result in termination of coverage in the Group Health Insurance program.

A *Medicare Eligibility Statement* (ET-4307) is used to inform ETF of the Medicare effective dates. ETF will mail the *Medicare Eligibility Statement* to the retiree for completion. A sample of the *Medicare Eligibility Statement* appears at the end of this subchapter. Please provide ETF with a copy of the retiree's Medicare card, when available.

Medicare Eligibility Statement (ET-4307)

Department of Employee Trust Funds
P.O. Box 7931
Madison, WI 53707-7931

MEDICARE ELIGIBILITY STATEMENT

Wis. Stat. §§ 40.51 (7) and 40.52 (2)

Return form to the Department of Employee Trust Funds.		Social Security Number
SUBSCRIBER NAME – *Annuitant, Surviving Spouse, or Continuant* (Last, First, Middle, Maiden)	SEX ☐ Female ☐ Male	Insurance Plan Name
ADDRESS (Street, City, State, Zip Code)		Group Number

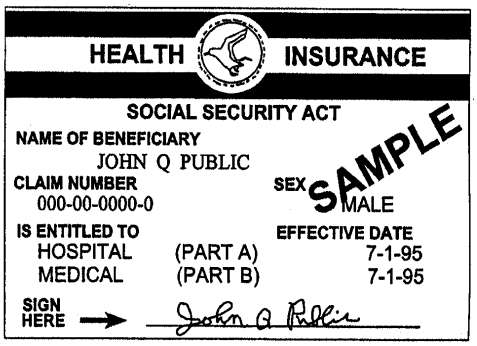
TO CONTINUE COVERAGE THIS FORM MUST BE FILLED OUT COMPLETELY

1. In order to continue to be insured under the group health insurance program, you and/or your insured family members must be enrolled for both portions of Medicare (Hospital Part A and Medical Part B), when Medicare is first available as the primary insurer. Contact the Social Security Administration for information on how to enroll.

   Exception: You and your dependents are not required to be enrolled in Medicare until the subscriber terminates employment or health insurance coverage as an active employee ceases.

2. Indicate the reason Medicare is available:
   - ☐ a. Attainment of age 65 and over.
   - ☐ b. Receipt of Social Security disability payments for 24 months.
   - ☐ c. Permanent kidney failure.

3. List below all persons insured under your group health insurance policy. List Medicare effective dates as they appear on each person's Medicare I.D. card OR contact the Social Security Administration for effective dates. If not eligible for MEDICARE, enter "NOT ELIG." in Effective Dates columns.



NAMES	Social Security Claim Number	Birthdate (MM/DD/CCYY)	MEDICARE EFFECTIVE DATES *as shown on card*	
			Hospital (PART A)	Medical (PART B)
Subscriber				
Spouse				
Dependents				

Those who fail to enroll in federal MEDICARE must attach a written explanation to this form.

I authorize the Department of Employee Trust Funds to verify information from the Social Security Administration, if need be, regarding eligibility for effective dates of coverage under both Medicare Parts "A" and "B."

Date (MM/DD/CCYY)	Signature	Daytime Telephone Number

FOR ETF USE

Enrollment Type	Employee Type	Coverage Code	Carrier Suffix	Payroll Representative Signature	Telephone

Name of Employer	Employer Number	Group Number
	69-036-	

ET-4307 (REV 09/2001) *Make a copy for your records. Return the original copy to ETF.*

803 Completing *Employer Verification of Health Insurance Coverage* (ET-4814)

An *Employer Verification of Health Insurance Coverage* must be submitted to ETF for each employee regardless of whether the employee plans to continue health coverage after retirement. The form is required, even when the employer is paying all or part of an annuitant's monthly health premium. An insured employee receives the form with the retirement application from ETF. The form is also required for a surviving spouse/dependent of a deceased insured employee or employer-paid annuitant. The employee or survivor completes the top portion of the form and submits to the employer.

Employer Instructions - Complete the Employer Section of the form reflecting the coverage as of the date employment terminates:

1. Check the appropriate box for coverage verification:

    a. Coverage verified is in effect; or

    b. Coverage verified is not yet in effect but employee has submitted a health insurance application to change coverage. (Advise employee to submit a *Group Health Insurance Application* (ET-2301) with the *Employer Verification of Health Insurance Coverage* form if coverage will change when coverage as an active employee ceases.)

2. Plan - The name of the health plan.

3. Five-digit Group Number - The first digit of the group number is 7, followed by the four-digits preceding the "-000" in your EIN (e.g., **79999**).

4. Coverage Type - Indicate Single or Family coverage.

5. Monthly Premium Rate - Enter the full monthly premium rate – TOTAL OF EMPLOYEE AND EMPLOYER CONTRIBUTIONS. Refer to the current *It's Your Choice* booklet (ET-2128).

6. Enter the month, day (the last day of the month) and year through which health insurance coverage is paid as an active employee.

7. Indicate whether premiums will be paid by the employer after termination: "Yes" or "No."

8. Name of Employer.

9. Employer Number - The number given to employers beginning with 69-036. Enter the last seven digits of the number (e.g., 69-036-**9999-000**).

10. Date - Enter the current date.

11. Signature of Employer Representative - Signature of the employer representative completing the form.

12. Telephone Number - The telephone number of the employer representative who completed the form.

Return the top two plies to the employee. Keep the bottom ply for your records. The employee must submit the form to ETF after completing the employee portion. A sample of the *Employer Verification of Health Insurance Coverage* form appears at the end of this subchapter.

Employer Verification of Health Insurance Coverage (ET-4814)

Department of Employee Trust Funds
P.O. Box 7931
Madison, WI 53707-7931

EMPLOYER VERIFICATION OF HEALTH INSURANCE COVERAGE

TO THE EMPLOYEE: If you have Wisconsin Public Employers' Group Health Insurance coverage, and wish to continue this insurance after you retire, you must submit this form. If you do not submit this completed form, your health insurance coverage will cease.

Take this form to your employer for completion of the employer portion. Please review the coverage information reported by your employer for accuracy before returning this form. This form should reflect coverage as of the date your employment terminates.

If you have been on a leave of absence without pay and your health insurance has lapsed, you are eligible to reinstate insurance coverage if you take an "immediate" annuity (one that begins within 30 days after your termination date). Please contact the Department of Employee Trust Funds for a health insurance application and instructions.

Note: If you receive this form as a surviving spouse or dependent of a deceased insured employee, please complete this form by putting the deceased participant's name and Social Security number as the "Employee" and complete the identifying information for yourself in the "Spouse" section. Then take this form to the deceased participant's employer for completion and return it with your health insurance application.

I wish to continue my health insurance: ☐ Yes ☐ No If no, please note that there currently are no re-enrollment opportunities for the Wisconsin Public Employers' Group Health Insurance Program.	
Date (MM/DD/CCYY)	Signature of Employee

EMPLOYEE COMPLETE:				Social Security Number
Name (Last, First, M.I.)				Birthdate (MM/DD/CCYY)
Address Street and No.	City	State	Zip Code	Anticipated Termination Date
Spouse Name (Last, First, M.I.)		Birthdate (MM/DD/CCYY)		Social Security Number

EMPLOYER COMPLETE:

Please note that this is not an application. The employee must file a *Health Insurance Application* form (ET-2301) for any eligible coverage changes. CHECK ONE OF THE BOXES BELOW:

A. ☐ The coverage verified below is currently in effect. **OR**

B. ☐ The coverage verified below is not yet in effect. The employee has submitted an application for eligible coverage/plan changes.

Health insurance coverage for the above-named employee on the anticipated termination date:

Plan			Group Number
Coverage Type: ☐ Single	☐ Family		Monthly Premium Rate $

Premiums will have been paid as an ACTIVE employee for coverage through what month and year? _____ (MM/DD/CCYY)

Premiums will be paid through the employer after termination as an employer-paid annuitant: ☐ Yes ☐ No

NOTE: If you have marked "yes" in this box, the employer must notify the Department of Employee Trust Funds when premiums will no longer be paid through the employer. Complete a *Group Health Insurance Transfer Report* (ET-1615). Instructions are in the *Local Health Insurance Administration Manual* (ET-1144).

Name of Employer		Employer Number 69-036-
Date (MM/DD/CCYY)	Signature of Employer Representative	Telephone Number

EMPLOYER: Keep the bottom ply for your records.
EMPLOYEE: Submit the top two plies. A copy will be returned to you.

White Ply – ETF Copy
Pink Ply – Acknowledgment
Yellow Ply – Employer Copy

ET-4814 (REV 06/2003)

804 Annuitant Premium Payments

Annuitant premium payments are made through one of the following methods:

A. Employer-Paid Annuitant--Premiums are paid to ETF by the employer when the employer pays any portion of the premium for the annuitant. (Refer to Chapter 6 for reporting employer-paid annuitant health coverage.)

B. Annuity Deduction—Premiums are paid from a monthly retirement or disability annuity if the annuity is sufficient to cover the entire premium and no portion of the premium is being paid by the employer;

C. Direct Pay—When the annuity is not sufficient to cover the entire premium, the health plan will directly bill the annuitant and the annuitant will pay premium directly to the health plan.

D. Group Life Insurance Conversion—This program, governed by Wis. Stat. § 40.72(4r) and Wis. Admin. Code § ETF 60.60, allows eligible employees to convert their group life insurance to pay health insurance premiums. For more information, see the *Converting Your Group Life Insurance to Pay Health or Long-Term Care Insurance Premiums* brochure (ET-2325).

805 Reporting a Retiring Employee Who Is Not an Employer-Paid Annuitant

A retiring employee who qualifies to continue health insurance coverage is reported on the *Monthly Deletions Report* (ET-2612) and *Monthly Coverage Report* for active employees for that health plan. (Refer to Chapter 5 for instructions.) In this situation, an *Employer Verification of Health Insurance Coverage* form (ET-4814) must be submitted to ETF.

806 Canceling Coverage

At the time of retirement, health insurance can be canceled by indicating “No” on the *Employer Verification of Health Insurance Coverage* form (ET-4814) where asked if the employee wishes to continue health insurance. Following retirement, the insured annuitant must submit written notification to ETF to cancel coverage. Refer to the *It’s Your Choice* booklet (ET-2128) for more information.